

FISCAL NOTE

HB 2679 - SB 2857

February 18, 2008

SUMMARY OF BILL: Authorizes the operation of medium-speed vehicles on public highways. Authorizes municipalities and the Department of Transportation (TDOT) to prohibit the use of medium-speed vehicles on public highways if it is determined that such prohibition is necessary in the interest of safety. Creates a registration fee for medium-speed vehicles of \$9.50 per year. Requires persons operating medium-speed vehicles to possess a valid Class D driver license.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$3,000/One-Time
Increase State Revenue – \$97,800

Increase Local Revenue – Not Significant
Increase Local Expenditures – Not Significant

Assumptions:

- “Medium-speed vehicle” means any four-wheeled electric vehicle, excluding golf-carts, whose top speed is greater than 30 miles per hour, but not greater than 35 miles per hour, including neighborhood electric vehicles. Medium speed vehicles must meet or exceed the federal safety standards set forth in 49 CFR 571.500.
- According to TDOT, this bill will not have a significant impact on departmental revenue or expenditures.
- The Department of Safety estimates 200 violations per year with an average fine of \$15 each.
- The increase of violation revenue is estimated to be \$3,000 (200 citations x \$15 = \$3,000) per year.
- Local governments receive 5% of violation revenue.
- The increase to local government revenue from fines is considered not significant; the net increase to state revenue resulting from fines is estimated to be \$2,800 per year.
- Any increase of local government expenditures is considered not significant.

- According to the Department of Revenue, the number of registrations for medium-speed vehicles is estimated to be 10,000 per year statewide.
- The increase to state revenue resulting from registration fees is estimated to be \$95,000 ($\$9.50 \times 10,000 = \$95,000$) per year.
- One-time state expenditures estimated to be \$3,000 for computer and software modifications.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rnc